

**Date:** September 25, 2024

**To:** Board of Directors

**From:** Sam Desue, Jr.

**Subject:** **RESOLUTION NO. 24-09-47 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT MODIFICATION WITH KONE, INC. FOR ELEVATOR AND LIFT MAINTENANCE AND REPAIR SERVICES**

**1. Purpose of Item**

This Resolution requests that the TriMet Board of Directors (Board) authorize the General Manager or his designee to execute a contract modification (Modification) with KONE, Inc. (KONE) for elevator and lift maintenance and repair services (Services).

**2. Type of Agenda Item**

- Initial Contract
- Contract Modification
- Other \_\_\_\_\_

**3. Type of Contract Procurement**

- Low Bid / Invitation to Bid (ITB)
- Request for Proposals (RFP) (inc. CM/GC)
- Request for Qualifications (RFQ) (Personal Services)
- Other (inc. sole source) \_\_\_\_\_

**4. Reason for Board Action**

Board authorization is required for all contract modifications causing contract amounts to exceed amounts previously authorized by the Board.

**5. Type of Action**

- Resolution
- Ordinance 1<sup>st</sup> Reading
- Ordinance 2<sup>nd</sup> Reading
- Other \_\_\_\_\_

**6. Background**

Within TriMet’s 533 square-mile service area, there are numerous facilities, transit centers, and Park & Rides that contain thirty-three elevators and/or lifts. In March 2020, by Resolution No. 20-03-15, the Board authorized execution of a five-year contract with KONE for the Services in the amount of \$1,409,087.

Under the contract's Scope of Work, KONE is required to:

- Provide a comprehensive maintenance program to maximize the performance, safety, and life span of all elevator and lift equipment;
- Provide all testing required by the State of Oregon Elevator Inspection Department, the American Society of Mechanical Engineers (ASME) A17.1 Safety Code for Elevators, and all applicable law, including yearly no-load and five-year full-load testing of all traction elevators;
- Provide annual testing of all hydraulic elevators whose cylinders are not encased in PVC;
- Regularly and systematically examine, clean, lubricate, adjust and provide unlimited callback service, repair, and replacement for all elevator components;
- Regularly and systematically examine, clean, and lubricate all lift components;
- Maintain three (3) complete sets of wiring diagrams showing as-built conditions with any changes or modifications to circuits resulting from control modifications, parts replacement, or equipment upgrades;
- Provide TriMet with appropriate service manuals, adjusting manuals, and technical manuals for all elevator and lift equipment at each facility;
- Provide quarterly inspections and testing of the Firefighter's Service Phase I and Phase II and standby power operation, if installed;
- Provide annual testing of all dispatching systems to ensure that all circuits and time settings are properly adjusted and all systems are performing as designed and installed;
- Provide labor to assist TriMet with annual smoke detector testing and scheduled generator testing; and
- Perform audits on all elevator and lift equipment once per year.

It was anticipated that approximately \$282,000 per year would be expended under the contract. However, from January 2023 to the present, unanticipated demand for repairs and upgrades due to vandalism, including the replacement of repeatedly damaged glass doors with new 16-gauge steel doors, has consumed more than \$399,768 of the contract amount. Given the accelerated depletion of the contract amount, a Modification of the existing contract amount is required to ensure that currently scheduled, anticipated and unanticipated Services can continue through the contract termination date.

Therefore, this Resolution requests that the Board authorize a Modification to increase the original contract amount by \$200,000, for a new total amount of \$1,609,087, in order to address TriMet's ongoing need for the Services until a new contract can be procured. TriMet's Facilities Department intends to initiate a procurement for a new contract with a new five-year agreement prior to the expiration of the current contract on March 30, 2025.

**7. Description of Procurement Process**

The original contract was procured via a Request for Proposal process.

**8. Diversity**

KONE's workforce is 9.9% female and 3.7% minority, and its total employee count is 81. KONE will use its own workforce to perform the work under this contract Modification.

**9. Financial/Budget Impact**

The costs of elevator repair and maintenance services are budgeted as an element of the Facilities Management Department's annual operating budget.

**10. Impact if Not Approved**

The KONE contract will be exhausted before a replacement agreement can be procured, unless it is modified in accordance with this Resolution. Failure to approve this Resolution will lead to cessation of the Services, which could result in significant safety hazards to TriMet customers and staff at TriMet facilities, and disruption of operations. Moreover, failure to provide fully operational elevators and lifts at TriMet stations and platforms could make these facilities non-compliant with the ADA. Approval of this Resolution is strongly recommended.

**RESOLUTION NO. 24-09-47**

**RESOLUTION NO. 24-09-47 OF THE TRI-COUNTY METROPOLITAN  
TRANSPORTATION DISTRICT OF OREGON (TRIMET)  
AUTHORIZING A CONTRACT MODIFICATION WITH KONE, INC. FOR  
ELEVATOR AND LIFT MAINTENANCE AND REPAIR SERVICES**

**WHEREAS**, TriMet has authority under ORS 267.200 to enter into a contract Modification with KONE, Inc. (KONE) for elevator and lift maintenance and repair services (Modification); and

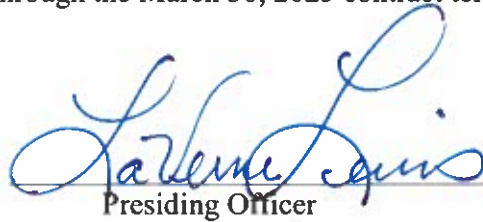
**WHEREAS**, by Resolution No. 22-05-35, dated May 25, 2022, the TriMet Board of Directors (Board) adopted a Statement of Policies requiring the Board to approve contracts obligating TriMet to pay in excess of \$1,000,000; and

**WHEREAS**, the total amount of this Modification exceeds the contract amount previously authorized by the Board;

**NOW, THEREFORE, BE IT RESOLVED::**

1. That the Modification shall conform with applicable law.
2. That the General Manager or his designee is authorized to execute the Modification in the amount of not more than \$200,000, through the March 30, 2025 contract termination date.

Dated: September 25, 2024

  
Presiding Officer

Attest:

  
Recording Secretary

Approved as to Legal Sufficiency:

  
Legal Department